

WC 04-412

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554

In the Matter of)
)
Request for Limited Modification of the)
LATA Boundary to Provide Extended)
Area Service Between Certain Exchanges)
in the State of North Carolina.)

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Federal Communications Commission
Office of Secretary

PETITION

I. INTRODUCTION

BellSouth Telecommunications, Inc. and BellSouth Corporation ("BellSouth"), pursuant to Section 3(25) of the Communications Act of 1934, as amended,¹ and in accordance with the guidelines established in the Commission's *Memorandum Opinion and Order* ("Order") released July 15, 1997 in CC Docket 96-159,² hereby make this application for a limited modification of the LATA boundary to provide Extended Area Service ("EAS") between the Kenly exchange in the Rocky Mount LATA and the Raleigh exchange in the Raleigh LATA, and between the Princeton exchange in the Fayetteville LATA and the Raleigh exchange in the Raleigh LATA, in the state of North Carolina.

II. SUPPORTING INFORMATION

On October 12, 2004, the North Carolina Utilities Commission ("NCUC") issued an order, attached hereto as Exhibit A, approving certain EAS modifications in North Carolina. As

¹ The Communications Act of 1934, as amended, 47 U.S.C. § 151, *et seq.*

² *In the Matter of Petitions for Limited Modification of LATA Boundaries to Provide Expanded Local Calling Service at Various Locations*, CC Docket No. 96-159, *Memorandum Opinion and Order*, 12 FCC Rcd 10646 (1997). By way of this *Order* the Commission adopted a format for and criteria under which such petitions would be granted. The format and criteria are detailed in paragraphs 23 and 24.

prescribed in paragraph 23 of the Commission's Order, BellSouth provides the following necessary information in support of its application:

1. Type of service: Flat-rate, non-optional EAS.
2. Direction of service: Two-way.
3. Exchanges involved: The Kenly exchange is in the Rocky Mount LATA, the Princeton exchange is in the Fayetteville LATA and the Raleigh exchange is in the Raleigh LATA.
4. Name of carriers: Carolina Telephone and Telegraph Company ("Carolina") provides local service in the Kenly and Princeton exchanges and BellSouth Telecommunications, Inc. provides local service in the Raleigh exchange.
5. State commission approval(s): See Exhibit A for a copy of the order issued by the NCUC.
6. Number of access lines or customers: The Kenly exchange has 5,584 access lines, the Princeton exchange has 1,646 access lines and the Raleigh exchange has 216,188 access lines.
7. Usage data: BellSouth does not have any usage data available because BellSouth does not currently carry traffic across LATA boundaries. Carolina provided the NCUC with usage data as outlined in the attached order, including the following information:

Exchanges	CIF ("Community of Interest Factor")	PMC ("Percent Making Calls")
Kenly to Raleigh	2.5	34%
Princeton to Raleigh	4.5	48%

8. Poll results: Polling was not conducted.³ The NCUC noted in its order the evidence of strong community support for the proposed EAS, including resolutions adopted by the Johnston County Board of Commissioners, the towns of Princeton, Kenly and Micro (Micro is in the Kenly exchange) and the Triangle J Council of Governments, and petitions signed by approximately 450 subscribers in the Kenly and Princeton areas. Mr. Scott Shelton, Town Manager of Kenly, spoke before the NCUC in favor of the Public Staff's recommendation that EAS be approved, stating that toll-free

³ The rate increases are in the range that the NCUC has deemed to be *de minimis* in prior EAS proposals; polling has not been required with proposed rate increases in this range. See Exhibit A at 2.

calling to Raleigh will enhance economic development and is supported by the Chamber of Commerce.

9. Rate change: Rate changes are as follows:

Exchange	Residence Basic Caller	Residence Community Caller	Residence Value Caller	Business Basic Caller	Business Community Caller
Kenly	\$0.10	\$0.27	\$0.27	\$0.40	\$0.71
Princeton	\$0.20	\$0.31	\$0.31	\$0.35	\$0.66
Raleigh		\$0.02			\$0.05

10. Community of interest statement: Based on the results of the calling studies, expressions of community support and other special circumstances, the Public Staff recommended approval of the EAS plan and the NCUC followed that recommendation. See Exhibit A for a discussion of the factors considered.
11. Map: See Exhibit B.
12. Other pertinent information: N/A.

III. PRIMA FACIE SHOWING

BellSouth's Petition shows that (1) EAS has been approved by the NCUC; (2) the EAS proposal includes only traditional local service (*i.e.*, flat-rate, non-optional EAS); (3) the NCUC found sufficient community of interest to warrant such service; and (4) EAS involves a limited number of customers or access lines. These showings meet the *prima facie* test for LATA modification established by the Commission in its *Order*.⁴

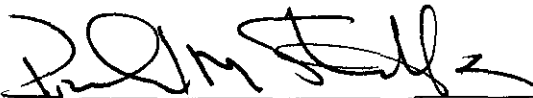
⁴ *Order*, 12 FCC Rcd at 10659, ¶ 24.

IV. CONCLUSION

Wherefore, BellSouth requests that the Commission approve its application for a limited modification of LATA boundaries to provide EAS between each of the Kenly and Princeton exchanges and the Raleigh exchange, in the state of North Carolina.

Respectfully submitted,

BELLSOUTH CORPORATION
BELLSOUTH TELECOMMUNICATIONS, INC.

By: 
Richard M. Sbaratta

Their Attorney

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Date: Nov. 4, 2004

Exhibit A

Copy of North Carolina Utilities Commission's Order Approving EAS Between Each of the Kenly and Princeton Exchanges and the Raleigh Exchange, in the State of North Carolina.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-7, SUB 1093

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Carolina Telephone and Telegraph Company –)	ORDER APPROVING
Kenly and Princeton to Raleigh InterLATA)	EXTENDED AREA SERVICE
Extended Area Service)	

BY THE COMMISSION: Over the past several months, the Public Staff has received support for two-way, non-optional interLATA EAS between each of Carolina Telephone and Telegraph Company's (Carolina's) Kenly and Princeton exchanges and BellSouth Telecommunications Inc.'s (BellSouth's) Raleigh exchange. The Kenly and Princeton exchanges are primarily in Johnston County and have extended area service (EAS) to each other as well as to the other exchanges primarily in Johnston County. However, they are the only remaining exchanges in Johnston County that do not have EAS to the Raleigh exchange. The Benson, Four Oaks, Selma and Smithfield exchanges in Johnston County were the last ones to get EAS to Raleigh in late 1994. During the intervening ten years, the Public Staff has received periodic inquiries from the Kenly and Princeton subscribers regarding EAS to Raleigh. However, no concerted effort on their part has been made until now.

The proposed EAS is supported by resolutions adopted by the Johnston County Board of Commissioners, the Towns of Princeton, Kenly and Micro which is in the Kenly exchange and the Triangle J Council of Governments, and petitions signed by approximately 450 subscribers in the Kenly and Princeton areas.

Carolina has provided the following results of 30-day calling studies performed from the Kenly and Princeton exchanges to the Raleigh exchange:

<u>Exchange</u>	<u>CIF</u>	<u>PMC</u>
Kenly	2.5	34%
Princeton	4.5	48%

Calling study results from the Raleigh exchange to the Kenly and Princeton exchanges are not available, since BellSouth indicates it can no longer perform interLATA calling studies.

Regarding the calling study results for the Kenly and Princeton exchanges, Commission EAS Rule R9-7(d)(2)(d) requires a minimum CIF of 3.0 and a minimum PMC of 50% for inter-county EAS proposals between exchanges without a common boundary. As noted from the calling results shown above, only the CIF for the Princeton

exchange meets the requirements. However, notwithstanding the calling study results, Rule R9-7(d)(3) allows the Commission to approve, disapprove, or limit an EAS proposal for polling if special circumstances require such action.

Based on Rule R9-7(d)(3) and on the following special circumstances, the Public Staff recommends that the Commission waive the requirements that the calling study results do not meet and allow this EAS proposal to proceed:

1-The Kenly and Princeton exchanges are the only two exchanges primarily in Johnston County that do not have EAS to the Raleigh exchange.

2-Since Carolina's Expanded Local Calling Area (ELCA) plan does not extend across LATA boundaries, subscribers in the Kenly and Princeton exchanges do not have local calling options available under the ELCA plan for calling Raleigh and must use toll calling or other means.

3-Considering that many calls are not captured by the 30-day calling studies, including calls made using cellular service or the internet, the calling results for the Kenly and Princeton exchanges are sufficiently close to the calling requirements to demonstrate there is a strong calling interest to the Raleigh exchange.

Based on application of BellSouth's and Carolina's EAS matrix tariffs, the following increases in the basic monthly local rates will apply for establishing the proposed EAS:

<u>Exchange</u>	<u>Residence</u>			<u>Business</u>	
	<u>Basic Caller</u>	<u>Community Caller</u>	<u>Value Caller</u>	<u>Basic Caller</u>	<u>Community Caller</u>
Kenly	\$0.10	\$0.27	\$0.27	\$0.40	\$0.71
Princeton	\$0.20	\$0.31	\$0.31	\$0.35	\$0.66
Raleigh	-	\$0.02	-	-	\$0.05

These rate increases are in the range the Commission has deemed to be de minimis in prior EAS proposals in which polling has not been necessary. In some cases, the Commission has allowed the sending of no-protest notices in lieu of polling. However, in more recent EAS cases where no-protest notices were sent and in some cases reflecting higher de minimis rate increases than in this case, at most only one protest has been received from any given affected exchange. In this case, the Public Staff recommends that the proposed EAS be approved without the sending of no-protest notices to the subscribers in all three affected exchanges.

This matter came before the Regular Commission Conference on October 11, 2004.

The Public Staff recommended that the Commission issue an order waiving certain calling study results as well as the moratorium on interLATA EAS proposals and approving EAS between each of the Kenly and Princeton exchanges and the Raleigh exchange.

Mr. Scott Shelton, Town Manager of Kenly, spoke in favor of the Public Staff recommendation. He stated that toll-free calling to Raleigh will enhance economic development and is supported by the Chamber of Commerce.

Neither Carolina nor BellSouth spoke on this item.

WHEREUPON, the Commission reaches the following

CONCLUSIONS

After careful consideration, the Commission concludes that good cause exists to waive certain calling study results as well as the moratorium on interLATA EAS proposals and, on the basis of the special circumstances identified by the Public Staff and the Town Manager of Kenly, to approve EAS between each of the Kenly and Princeton exchanges and the Raleigh exchange.

IT IS, THEREFORE, ORDERED as follows:

1. That two-way, non-optional EAS be approved between each of the Kenly and Princeton exchanges and the Raleigh exchange.
2. That Carolina and BellSouth submit a time schedule to the Commission within 30 days of the issuance of this Order for establishing the EAS service and file the necessary tariffs with the Commission effective upon the on-service date of the EAS.

ISSUED BY ORDER OF THE COMMISSION.

This the 12th day of October, 2004.

NORTH CAROLINA UTILITIES COMMISSION

Gail L. Mount

Gail L. Mount, Deputy Clerk

pb101104.01

Commissioner Lorinzo L. Joyner did not participate

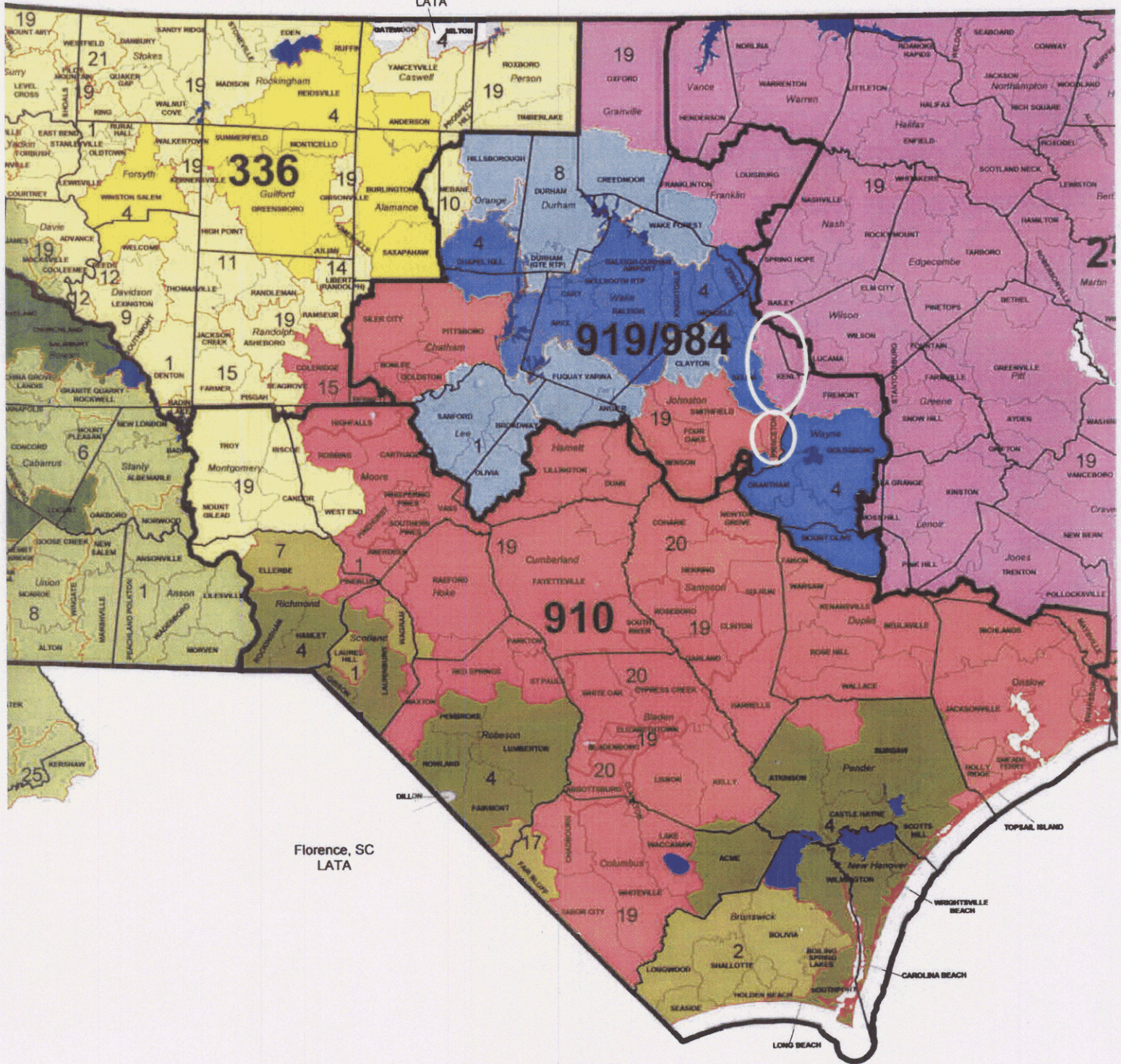
Exhibit B

LATA Boundary Map Showing Affected Exchanges in North Carolina

State of North Carolina

LATA/Area Code Map

Lynchburg, VA
LATA



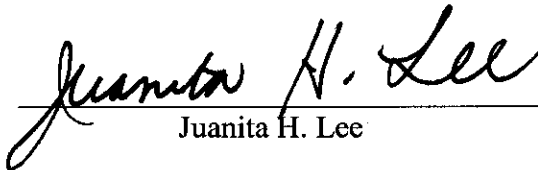
Florence, SC
LATA

CERTIFICATE OF SERVICE

I do hereby certify that I have this November 8, 2004 served the following parties to this action with a copy of the foregoing **PETITION** by hand delivery addressed to the parties listed below.

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Juanita H. Lee